



CLAIMS (As Amended)

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CENTRAL FAX CENTER

APR 11 2008

Claim 1. A financial product [instrument] to protect the value of residential real estate, comprising;

means in the form of [a] financial business entities to administer the creation and distribution of said financial product [instrument], wherein said business entities functions comprise;

means to secure fractional ownership of said residential real estate, wherein said means is selected from a group comprising; a purchase or loan of said fractional ownership of said real estate, or a combination of both;

means to provide a form for said financial product [instrument], wherein; said form is selected from a group comprising; deeds of fractional ownership of said real estate, fractional ownership mortgage-backed securities (MBS) of said real estate, loan notes of said fractional ownership of said real estate, insurance policies on said fractional ownership, or a combination of said forms;

means to provide for a source of funds to create and sell said financial products [instruments] to public markets in forms selected from a group comprising;

exchange traded funds (ETF's), commodity futures, index funds, or annuities.

Claim 2. A financial product [instrument] according to Claim 1 wherein said means to secure fractional ownership of said residential real estate is in the form of a direct purchase by said financial business entities of a fractional share from each participating residential real estate property owner, wherein said fractional purchases are secured by fractional deeds of trust on the purchased properties, and wherein;

any profit from the sale of a participating real estate property is disbursed in a manner selected from a group comprising; retention of all profit by said financial

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business entities, or a sharing of profits above a set appreciation rate with said property owner as an inducement to participate in creating said financial product [instrument].

Claim 3. A financial product [instrument] according to Claim 1 wherein said means to secure fractional ownership of said residential real estate is in the form of a loan note to said financial business entities of a fractional share from each participating residential real estate property owner, wherein said loan notes are secured by fractional deeds of trust on the purchased properties, and wherein;

any profit from the sale of a participating real estate property is disbursed in a manner selected from a group comprising:

return of said loan note to said property owner with no accrued interest or payment, or a sharing of profits from the sale of said property above a set appreciation rate with said property owner as an inducement to participate in creating said financial product [instrument].

Claim 4. A financial product [instrument] according to Claim 1 wherein said means to secure fractional ownership of said residential real estate is selected from a group comprising:

a no-cost transfer to said financial business entities of a fractional share from each participating residential real estate property owner wherein said no-cost transfer of fractional deeds of trust on the purchased properties pays for insurance against loss of said owner property value, or;

payment of premiums to said financial business entities for insurance against loss of said owner property value, and wherein;

any profit from the sale of a participating real estate property is disbursed in a manner to provide an inducement to participate in creating said financial product [instrument], selected from a group comprising:

no return of the original value of said no-cost transfer of fractional deeds of trust on the purchased property if said property owner sells his property at a profit, or a sharing of profits from the

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sale of said fractional deeds of trust on said property above a set
appreciation rate with said property owner, or:

return of a fraction of said premiums for insurance against
loss of said property.